



Moldova Partnerships for Sustainable Civil Society

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ACRONYMS

CICO	Center for Organizational Consultancy and Training
CSO	Civil Society Organization
ECNL	European Center for Not-for-Profit Law
EEF	East Europe Foundation
EU	European Union
FSP	Financial Sustainability Plan
GIZ	German Development Cooperation
ICL	Individual Checklist
LGSP	Local Government Support Program
LPA	Local Public Authorities
MCC	Millennium Challenge Corporation
M&E	Monitoring and Evaluation
MoYS	Ministry of Youth and Sports
MPSCS	Moldova Partnerships for Sustainable Civil Society
NGO	Non-governmental Organization
NUPAS	Non-US Organization Pre-Award Survey
ODA	Organizational Development Assessment
ODAT	Organizational Development Assessment Tool
PAT	Pre-award Assessment Tool
RFA	Request for Application
RC	Review Committee
SOIR	Swedish Organization for Individual Relief
USAID	United States Agency for International Development
UW	United Way

I. INTRODUCTION

This report covers the second quarterly reporting period (April 1, 2014 –June 30, 2014) of the Moldova Partnerships for Sustainable Civil Society (MPSCS) - a five-year project funded by the United States Agency for International Development (USAID) and implemented by FHI 360 and its partner the European Center for Not-for-Profit Law (ECNL).

The overall goal of MPSCS is to build a more professional and sustainable civil society sector that is responsive to constituent needs and influences policymaking, and to foster an enabling legal framework.

MPSCS accomplishes this goal by meeting three objectives:

- **Objective 1:** CSOs More Effectively Represent their Constituencies
- **Objective 2:** Institutional Capacity of Strategic Partners Developed
- **Objective 3:** Enabling Environment More Conducive to Long-Term Sustainability of Civil Society

Through MPSCS, FHI 360 will: 1) provide sub awards to up to 20 Moldovan civil society organizations (CSOs) coupled with capacity building to more effectively represent citizens' interests and concerns to local- and regional-level policymakers; 2) develop a network of up to 23 CSOs throughout Moldova with strengthened governance, financial management, procurement, project management, and fundraising capacity to play a leadership role in the development of Moldova's civil society sector and become trusted recipients of funds from citizens, donors, and other public and private entities; and 3) offer technical assistance and mentorship to empower CSOs to advocate for, and advance, legal and regulatory reforms, with a particular focus on the Civil Society Development Strategy, to enable an environment more conducive to the long-term sustainability of the civil society sector.

During the reporting period, MPSCS focused on finalizing the selection process under both grants programs: the *Engage Program Partners* and *Support to Moldovan Civil Society Development*. Under the first and the second calls, 23 CSOs were short-listed and received concurrence from USAID. MPSCS staff comprehensively assessed 19 of these CSOs in financial management and organizational development level. In addition, MPSCS began to prepare the grant packages for the short-listed CSOs.

MPSCS, along with key partner ECNL, provided support and in-person consultations to both government representatives and CSOs to ensure that they proceed with establishing better coordination and monitoring of achievements and shortcomings in the implementation of the Civil Society Development Strategy for 2012-2015. To ensure the government's buy in and involvement, a Memorandum of Understanding (MoU) was signed on June 11 between MPSCS and the State Chancellery.

II. MPSCS HIGHLIGHTS, QUARTER 2

Objective 1: CSOs More Effectively Represent their Constituencies

- 20 CSOs short-listed for *Engage Program Partners* grants.
- Strongest project proposals short-listed for funding from the *Engage Program Partners* discussed by the Review Committee members (five representatives of local donors) on April 30, 2014.
- 16 short-listed *Engage Program partner* CSOs visited for the pre-award evaluation.

- CONTACT Cahul delivered an oral presentation on June 11, 2014 to fulfill the requirements for a sector lead applicant under the *Support to Moldovan Civil Society Development* grants program.
- MPSCS refined a Gender Questionnaire to mainstream gender equality in CSOs' organizational development and project implementation activities.

Objective 2: The Institutional Capacities of Strategic Partners Developed

- On May 20, 2014, MPSCS launched Round II of the Request for Applications (RFA) under the *Support to Moldovan Civil Society Development* Grants program.
- Six project proposals submitted under Round II of the *Support to Moldovan Civil Society Development* Grants program evaluated by the Review Committee members on June 17, 2014.
- MPSCS staff conducted a comprehensive pre-award assessment of the Center for Organizational Consultancy and Training (CICO), shortlisted under the *Support to Moldovan Civil Society Development* Grants program.
- Pre-award organizational development assessment of 19 CSOs including 16 Engage Program Partners and 3 Strategic Partners carried out.
- Organizational Development Assessment Tool (ODAT) revised and updated to be used in the next quarter with all MPSCS grantees.
- MPSCS developed the Financial Sustainability Plan (FSP) tool to assist selected CSOs in fostering their financial sustainability.

Objective 3: Enabling Environment More Conducive to Long-Term Sustainability of Civil Society

- The Legal Resources Centre from Moldova was selected to promote civil society sector-related legal and regulatory reform under the *Support to Moldovan Civil Society Development* Grants program.
- Agreement on cooperation reached with the State Chancellery and memorandum of understanding signed.
- Annual conference on Parliament-CSO cooperation put forward recommendations for improving monitoring and coordination of Civil Society Development Strategy for 2012-2015 implementation.
- Draft amendments to the Law on Public Associations and the Law on Foundations submitted to Ministry of Justice.
- First contract signed by the Ministry of Labor with a Moldovan CSO under the social contracting mechanism developed with MPSCS support.

III. MPSCS PROGRESS QUARTER 2, BY OBJECTIVE

OBJECTIVE 1: CSOS MORE EFFECTIVELY REPRESENT THEIR CONSTITUENCIES

From April-June 2014, MPSCS finalized the selection process for the Engage Program Partners. Twenty Moldovan CSOs will receive three-year grants of up to MDL 390,000 to advocate for their constituencies' rights and to mobilize government, media and other CSOs. In addition, the first Partner under the *Support to Moldovan Civil Society Development* Grants program was selected. Contact-Cahul will build the advocacy and citizen engagement capacities of Moldovan civil society.

ENGAGE PROGRAM PARTNERS

The Engage Program Partners RFA and application package for advocacy initiatives by CSOs was distributed among CSOs. The distribution of the RFA and application package started in the previous quarter, on March 14, 2014. MPSCS disseminated the RFA online (www.fhi360.md and www.civic.md), through CSOs, including resource centers, through other implementers [the USAID-funded Local Government Support Program (LGSP), IREX/Novateca, Rule of Law Institutional Strengthening Program (ROLISP)], and via social media on the Facebook page of FHI 360 Moldova. All interested CSOs were invited to submit their project proposals and budgets in response to the RFA by the deadline of April 7, 2014. The deadline was later extended to April 17, 2014 to solicit more proposals. In total, 30 applications were received and all of them were evaluated by MPSCS staff to be eligible per the criteria established in the RFA and were sent to the Review Committee (RC) members.

On April 30, 2014, the RC members met to evaluate the project proposals. The RC included five representatives from civil society donors in Moldova: East-Europe Foundation Moldova, Swedish Organization for Individual Relief (SOIR), Friedrich-Ebert Stiftung Foundation, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), and USAID's Local Government Support Project in Moldova (LGSP), implemented by Chemonics. Based on the Review Committee evaluation and recommendations, 20 project proposals were selected for funding, having also been approved by USAID's Moldova representative. The following is a list of the 20 selected CSOs and their proposed projects:

1. **Youth for the Right to Life** (Tinerii pentru Dreptul la Viață) aims to increase the viability, visibility and influence of the volunteer sector in Moldova. Its proposed project will both strengthen the capacity of 300 local CSOs in the volunteer sector by hosting trainings and providing technical assistance, as well as develop its own organizational capacity to provide this leadership. It also plans to host workshops and convene fundraising and advocacy meetings to promote the proper functioning of Volunteer Host Institutions.
2. **Independent Journalism Center** (Centrul pentru Jurnalism Independent) aims to ensure journalists' and media consumers' access to information by promoting legislative reforms and creating favorable conditions for media activity. CJI will organize campaigns that advocate passing a bill on the transparency of media ownership, amending a law on access to information, improving media solidarity on better working conditions for journalists accredited to the Parliament, and promoting European integration. The campaigns will include roundtable meetings, press club events, the dissemination of petitions and other materials, and in the case of the access to information legislation, training sessions where journalists will be trained to better utilize this access.
3. **Casmed** aims to consolidate the network of CSOs that provide community services in the northern part of the country by providing assistance to rural CSOs in this region, facilitating partnerships with local and regional governments on social service contracting in rural communities, and raising awareness in these communities about the work of local CSOs. Activities will include organizing a CSO study visit, a roundtable discussion with LPAs, community surveying activities, trainings on advocacy and fundraising, "advocacy day" activities at the community level, as well as capacity building and organizational development assistance to rural CSOs.
4. **Women and Child – Protection and Support** (Femeia și Copilul – Protecție și Sprijin) will strengthen the organizational capacities of four CSOs, on both banks of the Dniester River, to allow them to more efficiently promote and protect the rights of disabled persons. Activities will include convening focus groups and consultations as well as training the CSOs in organizational skills. Furthermore, FCPS aims to improve collaboration between the CSOs and the LPAs through roundtable discussions, workshops, and cooperation agreements.
5. **ProComunitate** aims to develop youth policies and promote dialogue among community actors to stimulate youth participation in local governance processes. ProComunitate will train

youth workers, host local public debates to identify priority issues, organize youth participation activities, develop partnerships with LPAs, and promote a partnership with a Dutch university to facilitate knowledge sharing.

6. **Certitudine** will empower nine teams of active young people from nine different rural communities in the northern part of Moldova with skills and knowledge which will enable youth to actively participate in decision-making and community development processes within their communities. The organization will conduct training activities in each community on youth participation, volunteering, project planning and implementation, community outreach, mobilization and fundraising.
7. **The National Youth Council of Moldova** (Consiliul Național al Tineretului din Moldova) aims to develop evidence-based youth policies by first developing an evaluation methodology and then using it to evaluate the implementation of youth policies, as well as performing a comprehensive evaluation of how central and local budgets are allocated with regard to youth activities, youth centers and local youth funds.
8. **University Legal Clinic** (Clinica Juridică Universitară) will strengthen CSOs that provide *pro bono* legal services in their communities. University Legal Clinic will develop minimum standards for how CSOs provide legal assistance to citizens as well as strengthen their organizational capabilities through workshops. CJU also plans to strengthen partnerships between these CSOs and regional offices of the National Legal Aid Council as well as with LPAs, and to train young people in advanced legal practices and employ them to give free legal advice to people in Northern communities on a volunteer basis.
9. **Association of the Independent Press** (Asociația Presei Independente) aims to build the capacity of independent media by strengthening the Center for Assistance for independent media and organizing and developing specialized training sessions for independent media outlets to help them streamline their technical resources. The Center for Assistance will receive technical assistance from an IT Specialist and Web Designer, who will help it improve its databases and website, respectively. API will also improve its own internal and external communication through the development of a Communication Strategy.
10. **The Association of Psychologists from Tighina** (Asociația Psihologilor Tighina) aims to develop the capacity of social actors from target districts to more effectively assist youth experiencing hardship and to facilitate these actors' relationship with LPAs. APT will provide technical assistance to CSOs assisting community youth, train them in identifying financing sources and building better relationships with donors and partners. Lastly, APT will encourage the participation of these organizations in local council meetings to put the issues of youth in hardship on the agendas of local governments.
11. **EcoContact** aims to strengthen participatory governance by creating forums for CSO coordination, providing capacity building trainings, facilitating the implementation of pilot projects and publishing lessons learned. Activities will include creating Thematic Working Groups of CSOs, recruiting trainers to train the CSOs, establishing Community Working Groups to apply the training material at the local level and producing a manual to share lessons learned.
12. **Association Motivation from Moldova** (Asociația Motivație din Moldova) will create and train six functional structures formed of young people with and without disabilities in rural areas/regions, which will become actively involved in solving community problems. The organization will select and train 18 beneficiaries to participate more actively in community decision-making and strengthen their organizational processes. Beneficiaries will be organized into local groups. Training courses will continue, along with a mini-grants program and roundtables with local stakeholders, as beneficiaries implement the recommendations provided them and complete assignments in their communities.
13. **Center of Legal Assistance for Persons with Disabilities** (Centrul de Asistență Juridică pentru Persoane cu Dizabilități) will strengthen the capacities of CSOs that are protecting the right of

people with disabilities to influence relevant public policies and ensure that their constituency is more efficiently represented in government.

14. **Tarna Rom Union of the Roma Youth of Moldova** (Uniunea Tinerilor Romi din Republica Moldova Tarna Rom) will monitor the Government of Moldova's strategy to improve the situation of Roma people in Moldova. To support this, the CSO will launch advocacy campaigns in the Gagauz region in partnership with local organizations.
15. **Foundation for Advancement of Moldova** (Fundația pentru Dezvoltare din Republica Moldova) aims to improve Moldova's education system by developing the Regulatory Impact Assessment concept (RIA) in the education sector in partnership with the Ministry of Education. The organization will train representatives of LPAs, the Ministry of Education and CSOs on how to apply RIA to ensure better regulatory initiatives and to improve public servants' skills in implementing education policies. To improve the effectiveness of CSO involvement in public policy formation and implementation, the organization will host workshops with CSOs and the Ministry of Education, and conduct trainings on social accountability tools. It will also improve its own internal capacity by developing an operation manual, a communication strategy, and a medium-term strategic plan.
16. **Resource Center Young and Free** (Centrul de Resurse Tineri și Liberi) will strengthen the capacities of 100 Moldovan CSOs to carry out advocacy campaigns to ensure a proper implementation of the Civil Society Development Strategy 2012-2015.
17. **Caroma Nord** will create an Environment Coalition of at least 30 CSOs, businesses, LPAs, Parent Teacher Associations and Youth Centers to increase the level of involvement of civil society and government institutions in the process of environmental protection.
18. **Center Partnership for Development** (Centrul Parteneriat pentru Dezvoltare) aims to increase the adoption of non-discrimination procedures in the labor market by organizing annual employers' forums, analyzing best practice in non-discrimination, developing a labor market discrimination index, and advocating public policy reform and reform at the organizational level among top employers in Moldova. Lastly, CPD will train these private employers on non-discrimination procedures and develop and implement non-discrimination projects in the workplace.
19. **Vesta** aims to create a Southern Women Alliance of seven CSOs that work on women's empowerment, assist the Alliance in preparing an action plan and a plan for financial sustainability, help the Alliance promote itself through various media outlets, and facilitate the creation of seven public councils at the local level through which Alliance members can promote the inclusion of women in business and social life and to help prevent gender-based violence. These objectives will be carried out through a variety of workshops, webinars, conferences, as well as a multimedia promotional campaign.
20. **Humanitas** will carry out sociological research to analyze the current situation of disabled persons. The organization will provide trainings and workshops to engage citizens and other stakeholders in preventing the social exclusion of disabled persons and their families.

Pre-award visits

The finalists, as determined by the Review Committee, underwent a two-step pre-award assessment:

1. *Individual Checklist (ICL)*. MPSCS guided finalists through a pre-award survey using an updated version of the MCSSP ICL, which includes USAID Non-US Organization Pre-award Survey (NUPAS) criteria. As part of the survey, MPSCS also checked three donor and beneficiary references provided by each CSO.
2. *FHI 360 Pre-Award Tool (PAT) Risk Assessment*. Each finalist CSO completed a risk assessment questionnaire, followed by a site visit from the MPSCS Finance Manager to verify the information. Based on this information and the criteria established in the PAT, the

Finance Manager assigned a risk-level score. This score is accompanied by criteria that help to determine any special award conditions to manage their awards and improve their financial systems to FHI 360 and USAID requirements.

MPSCS conducted thorough pre-award site visits to 16 pre-selected CSOs from the Engage Program, during which a general understanding of the grants program was established, and project concepts and main recommendations from the RC were discussed.

The site visits showed that the selected CSOs are likely to be reliable partners and they have the capacity to administer MPSCS funds and organize activities according to their project proposals. In addition, FHI 360 has previously worked with a number of these grantees and is familiar with their strengths and areas for improvement.

CROSS-CUTTING ACTIVITIES

Gender Equality and Women's Empowerment

During the reporting period, the MPSCS Gender Audit Questionnaire was developed, to assess the gender equality policies and practices in place and highlight any gaps in organizational development and project implementation activities. The goal of this questionnaire is to help CSOs to develop individual Gender Action Plans that identify organizational strengths and areas that should be improved. The questionnaire is described in more detail under the Capacity Building Section (p. 10). Engage Program Partners willing to apply the Gender Audit Questionnaire within their organizations will receive additional technical assistance (TA) from MPSCS. MPSCS will promote the tool through its website and Facebook so that other interested Moldovan CSOs can also use it.

Youth Inclusion

During the reporting period, MPSCS staff attended public events in order to learn more about current activities related to youth inclusion and also to share our vision. One of the events was organized on May 6, 2014 by the Ministry of Youth and Sports (MoYS) to discuss the 2014-2020 National Youth Strategy. The Strategy Action Plan and the Monitoring and Evaluation Plan aims at promoting youth participation in decision-making processes regarding youth sector development, diversifying and consolidating service provision for youth, developing economic opportunities for youth and strengthening the legal framework for youth activities.

The MoYS's aim is to organize two assessments of the Strategy in 2016 and 2018, followed by a final evaluation in 2020. The CSO ProComunitate, an Engage Program Partner that helped to develop the Youth Strategy, will continue to offer trainings for youth workers, encouraging youth participation in local governance.

Government Outreach and Engagement

Cooperation with the USAID-funded Local Government Support Project (LGSP) continued in this reporting period. On May 7, an MPSCS representative attended the workshop "Strategic Planning for LPA," informed 18 mayors about MPSCS's activities and discussed options for cooperation between LPA and CSOs.

MPSCS will encourage Contact-Cahul from the Support Program and Engage Program Partners to attend LGSP's quarterly mayoral meetings. During these meetings, MPSCS grantees will establish strategic partnerships with local governments to increase opportunities for local economic development, service delivery improvement and better use of public funds.

Additionally, on May 6, 2014, MPSCS met with citizens, mayors, and business representatives during USAID/Moldova's Field Day event organized in Singerei. MPSCS distributed information regarding the project activities and encouraged local CSOs to apply for the grants programs.

Communication

MPSCS has used the website www.fhi360.md and its Facebook page to reach out to as many potential beneficiaries as possible. Both platforms were used to publicize the grants programs, hiring announcements, and disseminate news about civil society issues and increase awareness of EU integration. During this quarter, more than 2,826 people visited our website.

CIVIL SOCIETY STAKEHOLDERS' COORDINATION

On May 29, 2014, an MPSCS representative attended the event organized by the American Chamber of Commerce's office in Moldova to discuss the opportunities for collaboration between Moldovan civil society, the business sector and the US-based United Way (UW). The event gathered the representatives from the biggest private institutions in Moldova as well as branches of foreign companies. Given that grantees will implement projects that connect CSOs with citizens, develop and implement advocacy initiatives, and mobilize the government, media, and other CSOs for improved engagement, MPSCS discussed with Peace Corps volunteers the possibilities for future collaboration and promotion of the United Way model in Moldova. The United Way has expertise in mobilizing the community, not limited to financial resources of employers and employees, including people, expertise and technology, promoting corporate giving and volunteering at all ages. MPSCS will encourage its CSO partners to benefit from UW's expertise and to organize joint activities with a UW initiative group in Moldova.

In the reporting period, MPSCS had a few meetings with the representatives of the Millennium Challenge Corporation (MCC) Moldova to discuss the organizational development needs of the Moldova Water Users Associations. Most advanced MCC-funded Water Users Associations will be accepted for trainings offered by CICO, an MPSCS Strategic Partner, in year 2 of the program.

A productive cooperation with the East Europe Foundation (EEF) was established as well. Regular meetings are organized and representatives from MPSCS and EEF are serving as review committee members in each other's CSO grants programs.

OBJECTIVE 2: THE INSTITUTIONAL CAPACITIES OF STRATEGIC PARTNERS DEVELOPED

During the reporting period, MPSCS finalized the selection process and shortlisted three Strategic Partners: (1) Contact-Cahul, which focuses on advocacy and constituency engagement, (2) the Center for Organizational Consultancy and Training (Centrul de Instruire și Consultanță Organizațională CICO), which focuses on capacity development and service provision, and (3) the Legal Resources Center from Moldova (Centrul de Resurse Juridice), which focuses on legal and regulatory reform advocacy. The Strategic Partners will provide coaching and mentoring to MPSCS Engage Program grantees, especially those grantees that are active in the Strategic Partner's sector of expertise, and other Moldovan CSOs and will also work to increase these CSOs' organizational capacity.

In addition, three capacity-building tools adapted to Moldova realities – the CSO Financial Sustainability Plan, Organizational Development Assessment Tool (ODAT), and Gender Audit Questionnaire, were developed, refined, and finalized.

SUPPORT TO MOLDOVAN CIVIL SOCIETY DEVELOPMENT

To build core capacities of the three selected Strategic Partners, MPSCS will provide grants of MDL 630,000 per year for three years to each CSO. MPSCS aims to strengthen these organizations to

prepare them to manage direct funding from donors, including USAID, after the first year of grant implementation.

The Support to Moldovan Civil Society Development grant competition was announced in Quarter 1, on March 14, 2014, simultaneously with the *Engage Program Partners* RFA through the same distribution mechanisms, and was accompanied by Bidders' Conferences in Cahul, Bălți and Chișinău. Twenty-one applications were submitted under the Support Program; only one organization was shortlisted by the Review Committee, Contact-Cahul.

In order to solicit additional applications and to select the other two Strategic Partners, MPSCS announced Round II of the RFA on May 20, 2014. All interested CSOs were invited to submit their project proposals in response to the RFA by the deadline of June 9, 2014. The Grants Program announcement, RFA and Application Forms (both in English and Romanian languages) were published on May 20, 2014 on the MPSCS website www.fhi360.md, www.civic.md. MPSCS received a total of 6 applications, which were assessed to be eligible and were sent to the Review Committee members for their evaluation. On June 17, 2014, Review Committee members from Swedish Organization for Individual Relief (SOIR), Friedrich-Ebert Stiftung Foundation, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), and LGSP evaluated the project proposals and provided their feedback to MPSCS. From this second round of applicants, two CSOs were recommended for funding and have been approved by USAID Moldova's representative: the Center for Organizational Consultancy and Training (Centrul de Instruire și Consultanță Organizațională, CICO) and the Legal Resources Center (Centrul de Resurse Juridice).

Pre-award evaluation

According to the Engage Program and Support Program RFAs, all shortlisted CSOs were evaluated based on the MPSCS Individual Checklist and Pre-Award Risk Assessment Tool. During this quarter, MPSCS conducted site visits to 19 shortlisted CSOs and had discussions with their Executive Directors, Chief Accountants, members of the CSOs' Administrative Councils and their staff. Findings from the pre-award evaluation provide an insight into some organizational strengths and areas for improvement that will be more fully explored during the Organizational Development Assessments (and resulting Training and Development Plans for each CSO) that will be carried out next quarter.

The key findings of the pre-award evaluations include:

1. CSO Legal Structure:

- A common problem of Moldovan CSOs is that most of the founding members as well as the Board members are unaware of their financial liabilities and internal financial control systems, policies and procedures;
- The roles of the management and control bodies (members of the Board and Control and Review Board) are not clearly defined in many CSOs' bylaws. As a result, they are not sufficiently involved to ensure the financial viability of the organization and monitoring of its activities.

2. Human Resource Management

- High turnover of staff, in particular the financial staff, affects CSOs' organizational development.
- The organizations' staff does not attend trainings, either because of a shortage of funds or because of a lack of interest from the CSO managers.
- CSO Board members do not evaluate their Executive Directors.

3. Project Performance Management

- Most of the organizations have the capacity to manage and monitor projects with little donor guidance or intervention;

- Some of the organizations need to develop a comprehensive and well-documented project management system to monitor projects activities on a regular basis;
- Most CSOs do not develop annual work plans and budgets at the organization level.

4. Organizational Sustainability

- There are many cases when the person responsible for accounting has little to no relevant experience because of the low salaries typically CSOs can afford to pay accountants;
- Cash flow management needs to be improved within all CSOs;
- Very few CSOs back up their financial and accounting data. Most of the CSOs are using 1C accounting software, which is not adjusted to the accounting requirements of CSOs or the specific financial reporting requirements of the donors. Adjustment of the 1C accounting software to the donors' requirements is a separate costly service and many CSOs cannot afford to purchase this type of software.

5. M&E indicators

- Organizations have separate M&E systems for each project;
- Almost all CSOs lack a written Monitoring and Evaluation System policy (only one has a draft) at the organizational level.

Oral presentations

As stipulated in the RFA, finalists for the *Support to Moldova Civil Society Development* grants program must also prepare an oral presentation of their proposed project. Finalists' give a 20-minute oral presentation of their application followed by a 40-minute interactive question and answer session.

On June 11, 2014, Contact-Cahul's Executive Director and Project Coordinator presented their project to MPSCS and USAID representatives in the MPSCS office. The team was able to clearly explain proposed activities and clarified all details regarding the CSO's approach to advocacy and constituency engagement.



Silvia Strelciuc, Contact-Cahul Director, presenting the project proposal on June 11, 2014, Chişinău

CAPACITY BUILDING

During the reporting quarter, three capacity-building tools– the Financial Sustainability Plan (FSP), Organizational Development Assessment Tool (ODAT), and Gender Audit Questionnaire, were refined, developed and finalized. These tools will be used to facilitate evaluations of MPSCS partners next quarter.

Financial Sustainability Plan (FSP)

According to different local experts, over 95% of funding for Moldovan CSO comes from foreign donors. CSOs have few skills to attract local private and state funding. FHI 360 will continue its successful experience in Moldova in supporting CSOs with the tools to diversify their funding and thereby increase their prospects for long term sustainability. In order to assess CSO capacities to attract funding, each MPSCS partner will develop a FSP. The Financial Sustainability Plan is a technical tool developed by MPSCS, which will help CSOs to assess their fundraising skills and to develop a plan to attract private and state funding. CSOs, under MPSCS guidance, will develop individual FSPs in September-October 2014. The FSP template is attached to this report.

Organizational Development Assessment Tool (ODAT)

MPSCS's ODAT facilitates a self-evaluation of CSOs across seven main capacity areas: governance, implementation and management practices, human resource management, financial management and sustainability, constituency-centered programs, networking and advocacy, and media and promotion. Each area is ranked on a four-part scale: nascent (0 – 1.4), emerging (1.5 – 2.9), expanding (3 – 4.4), and mature (4.5 – 6).

During this quarter, the ODAT was finalized with the support of FHI 360 capacity building expert Keith Aulick's support and was translated into Romanian and Russian.

In September – October 2014, MPSCS will facilitate the CSO-led Organizational Development Assessments (ODAs) resulting in an organizational profile with quantitative measures for each of the Engage Program Partners and Strategic Partners to set a baseline against which MPSCS and partners will track progress. This assessment will also form the basis for a Training and Development Plan (TDP) for each CSO.

Gender Audit Questionnaire

During this quarter, MPSCS worked with FHI 360's Gender Department to develop the first draft of the Gender Audit Questionnaire, which will be self-administered through an easy-to-understand, self-guided process. The Gender Questionnaire will be finalized next quarter.

The audit process uses a framework and theory of change called the Gender Integration Framework, which suggests that transformation can only occur when four organizational dimensions are ready for gender integration. These four elements are political will, technical capacity, accountability, and organizational culture, and they can be viewed as akin to a tree. Political will constitutes the roots of the tree and is essential to promote and make organizational change possible. The other three elements comprise the branches of the tree and are also required in equal measure to successfully integrate gender.

Beginning in Year 2, Engage Program Partners willing to apply the recommendations from the gender audit within their organizations will receive additional TA from MPSCS.

OBJECTIVE 3: ENABLING ENVIRONMENT MORE CONDUCTIVE TO LONG-TERM SUSTAINABILITY OF CIVIL SOCIETY

Under Objective 3, one of the key topics during the quarter was the implementation of the Civil Society Development Strategy for 2012-2015 that dictates interactions between the CSO sector, the Government and the Parliament. On April 29, 2014, MPSCS co-funded the annual Parliament conference on cooperation with CSOs, which brought together 115 participants, including representatives from CSOs across Moldova, Parliament and Government representatives, and representatives of the donor community. During the quarter, the final amendments to the Law on Public Associations and the Law on Foundations were submitted to the Ministry of Justice. In addition, the first contract was signed between the Ministry of Labor and a Moldovan CSO under the new social contracting mechanism.

Supporting local stakeholders in monitoring and implementation of the Civil Society Development Strategy for 2012-2015

Currently, effective implementation of the Civil Society Development Strategy for 2012-2015 is a key concern for CSOs. In order to refocus the GoM on the implementation of the CSO Strategy, the NGO Council made several statements and organized public events. These efforts met with some success; there is now an appointed focus person within the Government at the State Chancellery's Division for Policy Coordination and Strategic Planning tasked with monitoring the progress of the CSO Strategy's

implementation and the coordination of the ministries' related work. In this quarter, MPSCS provided support and capacity building to both the government representatives and CSOs to help establish improved coordination and monitor progress in the implementation of the CSO Strategy.

On April 4, 2014, MPSCS, in cooperation with the Division for Policy Coordination and Strategic Planning, co-organized an expert meeting for the line ministries on April 4, 2014. The goal of this first meeting of the government officials responsible for implementing the CSO Strategy was to identify the needs and required support for the ministries to undertake their tasks as assigned in the CSO Strategy. In addition, best practices from other European countries, especially related to planning and monitoring of implementation of the strategy document were shared by an ECNL legal expert. As the result of the open discussion, the participants agreed to: 1) hold quarterly coordination meetings involving the responsible ministries; and 2) involve CSOs more consistently in their work.

A follow up consultation with CSOs took place in mid-April, resulting in an initial agreement with the GoM to develop a joint monitoring mechanism and further cooperation on the implementation of the CSO Strategy. In May 2014, the State Chancellery assigned a point of contact for civil society in each ministry and circulated the contacts through its networks and online. This move is positive as it could improve cooperation between the government and CSOs, as well as establish a clear line of communication so that CSOs can become more involved in policy-making processes.



Annual Parliament Conference on cooperation with CSOs, Chişinău, April 29, 2014

As mentioned above, on April 29, 2014, MPSCS also co-funded the annual Parliament conference on cooperation with CSOs, which brought together 115 participants (CSOs from around Moldova, parliament and government representatives, and representatives of the donor community). The NGO Council and the assigned focus person from the State Chancellery reported on progress implementing the objectives of the Civil Society Development Strategy for 2012-2015. While this attention to the CSO Strategy is beneficial, the reports do not represent a complete picture on the real successes or gaps in the implementation of the CSO Strategy, the reasons for delay or revision of

objectives, nor propose acceptable joint solutions to tackle the issues. Three additional thematic workshops resulted in recommendations on improving implementation of each of the Strategy's objectives. The recommendations focus on: the need for better cooperation within the government and with CSOs; allocation of support to the State Chancellery to fulfill its CSO Strategy coordination and monitoring functions; a higher level of involvement by CSOs in decision-making processes; establishing a single reporting mechanism on the implementation of the Strategy; establishing a working group on CSOs' access to public financing and an improved fiscal environment; and reviewing and, if necessary, amending the Law on Volunteering and its secondary regulation.

At the request of Parliament in May, MPSCS submitted the outline of its planned activities to support implementation of the CSO Strategy. These activities include further TA to improve CSO's financial sustainability; continuing work on the 2% law; and to revisit the Parliament-CSO cooperation concept launched, but not implemented, in 2013.

In addition, MPSCS will support the government and CSOs in developing a methodology for a joint monitoring mechanism, which will be based on successful examples from other European countries, where real time online monitoring tools were established. To ensure the GoM's buy-in and

involvement, the State Chancellery and MPSCS signed a MoU with concrete responsibilities and activities, including building the capacity of the State Chancellery's assigned focal point for implementation of the CSO Strategy, developing an implementation monitoring mechanism, and improving cooperation with CSOs. MPSCS will also support the State Chancellery in its coordination function by inviting a European practitioner from a similar coordination unit in Croatia for an agenda-setting and capacity building session next quarter.

Amendments to the Law on Public Associations and Law on Foundations

In February, the Legislative Department of the Ministry of Justice launched an online consultation on proposed amendments to the Law on Public Associations and Law on Foundations. MPSCS submitted comments and suggestions for improvements to these laws. The Ministry of Justice requested further information on the registration process of CSOs based on European best practices.

In early April, an ECNL legal expert held an in-person consultation with the Ministry of Justice Legislative Department representative and the NGO Department Director. The outcome of the meeting was a written brief to clarify additional questions on registering foreign branches, public benefit commission composition (which is also regulated under the Law on Public Associations), and registration and de-registration of CSOs, and other issues.

At the end of May 2014, the Ministry shared the draft amendments, which included positive changes, such as improved conditions for registration and associations, as well as less positive changes, such as unnecessary interference in the internal governance and membership structure of associations and limitations on the activities of foundations.

MPSCS developed two sets of written comments addressing the issues of concern in the draft and possible solutions to ensuring the independence and non-partisan nature of foundations based on examples of European regulations. MPSCS also shared its comments with representatives of the NGO Council and discussed possible concerns for CSOs if some of the draft provisions were to be applied. Relevant documents were also shared with CSOs and local foundations to better prepare them for the public hearing at the Ministry of Justice on the drafts in mid-June,

As the result of these activities, some restrictive provisions were removed from the final drafts submitted to the Parliament in mid-July and the definition of the "apolitical" nature of foundations was clarified and narrowed down.

Supporting Ministry of Finance in exploring mechanisms for financial sustainability of CSOs

Financial sustainability is at the core of discussions on the sector's future, as currently there are few reliable mechanisms for domestic financing of CSOs. In support of improving financial sustainability for the sector, MPSCS held an initial coordination meeting with the Ministry of Finance, Policy Department in June. As a result, an informal agreement was reached to support the Ministry's work on implementation of the Strategy's objectives on the fiscal environment (Objectives 2.1.2 and 2.3.2) related to an overview of fiscal regulation and of VAT; the possibility of developing a mechanism for direct state financing (Objectives 2.3.1 and 2.3.3); and contracting of services from CSOs (Objective 2.2.1). Joint cooperation on these areas will also depend on further political support from the Ministry.

After the meeting, MPSCS shared a comparative paper on state financing of CSOs in Europe, developed by ECNL in April 2014. In the next quarter, the MPSCS plans to hire a local expert to prepare a policy paper on the general fiscal environment for CSOs. MPSCS will also continue to coordinate with the MoF to support the Ministry's implementation of their CSO Strategy objectives.

Social contracting

Another mechanism to foster CSO's financial sustainability is government contracting of social services. On May 14, the Minister of Labor, Social Protection and Family signed the first contract under the social contracting mechanism that was developed with MPSCS support. This success took several years to achieve; beginning in 2010 FHI 360 in partnership with ENCL and support from USAID worked to assess and improve the CSO regulatory environment for public service provision. FHI 360 provided

best practices and lessons learned on the implementation of social contracting models in Europe and NIS countries.



Daniela Misail-Nichitin, head of the CSO International Center "La Strada" and Valentina Buliga, the Minister of Labor, Social Protection and Family, signing an Agreement Letter for phone counseling services via the Child Helpline. May 14, 2014

Photo credit: CSO International Center "La Strada"

According to the contract, the CSO "La Strada" will provide a 24/7 Child Helpline service from June 1, 2014 through December 31, 2016. Valentina Buliga, the Minister of Labor, Social Protection and Family expressed her confidence that this first experience in subcontracting a non-state social services provider will be a positive one, paving the

way for long-lasting collaboration with the non-governmental sector.

Contracting social services from CSOs is possible as a result of the adoption of the Law on Social Services in 2011 and the Law on Accreditation in 2012. Both laws serve as important milestones for civil society development in Moldova, allowing non-state actors, including CSOs, to be contracted to provide social services. Moreover, upon completion of the ongoing public administration reform, local governments will also be able to contract out some services. MPSCS will continue providing comparative information and TA to the Ministry of Labor, Social Protection and Family and to CSOs to facilitate contracting CSOs to provide social services for different strata of population, especially at the local level.

Ongoing technical assistance and comparative legal expertise

MPSCS provides ongoing technical assistance and comparative legal expertise to local partners and stakeholders upon request through sharing publications, laws and comparative regional experiences. For example, in this quarter, MPSCS shared with the Ministry of Finance, Policy Department, materials with regional best practices on public financing and fiscal regulation.

IV. CHALLENGES

Although 21 applications were submitted to the Support to Moldovan Civil Society Development grants competition during the first round, the Review Committee members and MPSCS found most of the proposed projects not relevant and not within the scope of the RFA. MPSCS conferred with USAID and decided on the way forward. To solicit more applications under this program, a second round of the RFA was announced on May 20, 2014. MPSCS had also a few more meetings with interested CSOs to explain to the potential candidates the program's expectations. As a result, six more advanced and relevant applications from strong local CSOs were received in Round II.

V. HIGHLIGHTS OF PLANNED ACTIVITIES FOR MPSCS NEXT QUARTER

Objective 1: CSOs More Effectively Represent their Constituencies

- Two grantee kick-off meetings introduce grantees to FHI 360 and USAID requirements and Grant Agreement stipulations.
- Twenty Engage Program Partners launch their project activities.
- First activities on Moldova European integration started by Engage Program Partners.
- Contact Cahul organizes a workshop on Advocacy and Constituency Communication for Engage Program Partners and other CSOs.
- The Strategic Partners provide coaching and training to Engage Program Partners.
- MPSCS publishes Gender Audit Questionnaire on FHI 360 Moldova website and Facebook page and distributed to MPSCS grantees. MPSCS assists interested CSOs assisted to apply the tool.

Objective 2: The Institutional Capacities of Strategic Partners Developed

- MPSCS facilitates organizational development assessment using ODAT with Engage and Strategic Partners to identify areas requiring further development and training.
- MPSCS and CICO hold one-day workshop focused on CSO financial management and procurement.
- MPSCS coaches grantees to develop and implement Financial Sustainability Plans and Training and Development Plans.
- Keith Aulick, FHI 360 capacity building expert, trains MPSCS team and its partners to improve Moldovan CSOs' institutional capacity and to develop a robust capacity building services marketplace.
- Selected Strategic Partners – CICO and Legal Resource Center -- give a 20-minute oral presentation of their applications and initial self-assessments, followed by a 40-minute interactive question and answer session.
- Strategic Partners organize initial Thematic Workshop to present their technical assistance package, which will be provided to CSOs and other local stakeholders.

Objective 3: Enabling Environment More Conducive to Long-Term Sustainability of Civil Society

- Croatian expert facilitates capacity building and agenda setting meeting for the State Chancellery's focal person to improve implementation of the CSO Strategy.
- GoM adopts amendments to the Law on Public Associations and the Law on Foundations.
- Develop the mechanism for 2% income tax designations by legal entities and physical persons.
- Provide comparative information and TA to the Working Group of the Parliamentary Budget Committee to implement changes to tax related to the 2% designation.
- Local expert develops instructions on CSO related taxation and receives approval from Fiscal Inspectorate.
- Strategic Partner for policy and law reform carries out self-assessment.

ATTACHMENTS

- MPSCS Request for Applications, Support to Moldovan Civil Society Development, Round II
- Organizational Development Assessment Tool (ODAT)
- Financial Sustainability Plan (FSP)
- MPSCS Comments on the Law on Public Associations and the Law on Foundations
- Shortlist of CSOs recommended for Funding by Review Committee



MPSCS_Request for Applications_Support to Moldovan Civil Society Development, Round II



Organizational Development Assessment Tool (ODAT)



Financial Sustainability Plan (FSP)



MPSCS Comments on the Law on Public Associations and the Law on Foundations



MPSCS_Shortlist of CSOs recommended for Funding by Review Committee